SENATE BILL REPORT

SB 5652

As Passed Senate, March 12, 1999

Title: An act relating to statutory limits on appraiser fees in eminent domain proceedings.

Brief Description: Increasing statutory limits on appraiser fees in eminent domain proceedings.

Sponsors: Senators Bauer and Sellar.

Brief History:

Committee Activity: Judiciary: 2/17/99, 2/22/99 [DP].

Transportation: 3/5/99 [DP]. Passed Senate, 3/12/99, 47-0.

SENATE COMMITTEE ON JUDICIARY

Majority Report: Do pass.

Signed by Senators Heavey, Chair; Kline, Vice Chair; Costa, Goings, Hargrove, Haugen, Long, McCaslin, Roach and Thibaudeau.

Staff: Penny Nerup (786-7484)

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Benton, Costa, Horn, Johnson, Prentice, Sellar, Sheahan, T. Sheldon, Shin and Swecker.

Staff: Ashley Probart (786-7319)

Background: State and local governments may acquire title to land without the owner's consent under the power of eminent domain. The land must be taken for some legitimate public purpose and the owner of the land must receive just compensation for his or her loss. In most cases, just compensation equals the fair market value of the land.

An owner of land will sometimes evaluate the offer made by the governmental entity taking the land (condemnor) by hiring an appraiser. The condemnor must then reimburse the owner for the appraiser's services. This expense is currently capped at \$200.

The Appraisers Coalition of Washington suggests that the \$200 cap, which was set in 1967, be raised to \$750 as this amount more accurately reflects the cost of appraisals and other expenditures made by landowners. In addition, landowners rely upon appraisers to obtain an assessment of the value of their land and the current cap limits the numbers of appraisers willing to do condemnation work.

Summary of Bill: Reimbursement from a governmental entity taking property by eminent domain for a landowner's expenses to evaluate the property may not exceed \$750.

Appropriation: None.

Fiscal Note: Requested on February 16, 1999.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Raising the allowance to \$750 will allow the property owner to be confident of the value of his property because he will be able to be reimbursed for the full price of an independent appraisal. The government also benefits from having a quality appraisal of property because it keeps it out of court in order to settle the valuation of the property.

Testimony Against: None.

Testified (Judiciary): PRO: Senator Bauer, prime sponsor; T.K. Bentler, Appraisers Coalition of Washington; Jim Irish, Appraisers Coalition of Washington, Appraisal Institute; George Walk, Pierce County.

Testified (Transportation): T.K. Bentler, Jim Price, Appraisers Coalition of Washington.